

Assembly Bill No. 3493

CHAPTER 201

An act to repeal Section 8002 of, and to repeal and add Section 8001 of, the Financial Code, to amend Section 4106 of, and to add Section 4101.5 to, the Food and Agricultural Code, to amend Sections 8690.6 and 11270 of, to amend and repeal Sections 8690, 8690.2, and 8690.4 of, to add Sections 8690.25 and 8690.45 to, and to repeal and add Section 13308 of, the Government Code, and to amend Sections 50531, 50661, 50661.5, 50697.1, 50740, 50778, and 50882 of the Health and Safety Code, to add Section 2105.1 to the Streets and Highways Code and to repeal Sections 11453.05, 12201.05, 12303.51, 14029, and 16702.01 of the Welfare and Institutions Code, relating to state government, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 20, 1996. Filed with
Secretary of State July 22, 1996.]

LEGISLATIVE COUNSEL'S DIGEST

AB 3493, Committee on Budget. State government.

(1) Existing law sets forth various provisions for the administration of the state government, funded pursuant to the annual Budget Act.

This bill would express the intent of the Legislature in enacting its provisions to make the necessary statutory changes to implement the Budget Act of 1996 relative to the administration of state government.

(2) Under existing law, the chief officer of the Department of Savings and Loan is the Savings and Loan Commissioner who is appointed by the Governor with the consent of the Senate.

This bill would repeal this appointment authority and instead provide that the Superintendent of Banks shall also serve as the commissioner.

(3) Existing law provides for the Sixth District Agricultural Association, which is known as the California Museum of Science and Industry.

This bill would require the California Museum of Science and Industry to study the feasibility of transferring management and operation of the museum facilities to the California Museum Foundation of Los Angeles, or other alternatives for restructuring, and, if feasible, prepare a plan to accomplish that transfer or alternative restructuring plan. The bill would require the California Museum of Science and Industry to provide an interim and a final report of the study to the Legislature by specified dates.

(4) Under existing law, the first \$832,765 of revenues received each year by the California Museum of Science and Industry from parking facilities, rental of museum facilities, or other business activities are required to be deposited in the General Fund, and all funds received in excess of that amount from those activities are required to be deposited in the Exposition Park Improvement Fund.

This bill, instead, would require all revenue received by the museum from those sources during the 1996-97 fiscal year only to be deposited in the Exposition Park Improvement Fund.

(5) Existing law establishes the Natural Disaster Assistance Fund as a special fund in the State Treasury which, with its subsidiary accounts, is continuously appropriated for the purposes of the Natural Disaster Assistance Act.

This bill would, effective July 1, 1997, delete 3 special accounts in the fund but retain the Earthquake Emergency Investigations Account.

(6) Existing law establishes in the Reserve for Economic Uncertainties a Disaster Response-Emergency Operations Account until June 30, 1996, to be used for specified purposes.

This bill would expressly provide that for recovery activities, as defined, funds shall be allocated pursuant to specified provisions of law, including specific provisions of the annual Budget Act, and would extend the operative date of the account to July 1, 1999.

(7) Existing law requires the Department of Finance to certify annually to the Controller the amount determined to be the fair share of administrative costs due and payable from each state agency and to certify to the Controller any amount redetermined to be the fair share of administrative costs due and payable from any state agency. Existing law defines "administrative costs" as the amounts expended by various specified state entities for supervision or administration of the state government or for services to the various state agencies.

This bill would include the Office of Information Technology among the above state entities for purposes of this definition.

(8) Existing law requires the Director of Finance to provide to the Legislature, on or before May 21 of each year, an estimate of the General Fund revenues for the ensuing fiscal year and an estimate of the General Fund workload budget for the ensuing fiscal year.

This bill would instead require the Director of Finance to provide to the Legislature (a) on or before February 1 of each year, all proposed statutory changes necessary to implement the Governor's Budget; (b) on or before April 1 of each year, certain proposed adjustments to the Governor's Budget; (c) on or before May 1 of each year, all proposed adjustment to the Governor's Budget in appropriations for capital outlay; (d) on or before May 14 of each year, an estimate of General Fund revenues for the current fiscal year and for the ensuing fiscal year, any proposals to reduce expenditures to reflect undated revenue estimate, and all proposed adjustments to

the Governor's Budget, as specified. This bill would also provide that the Director of Finance may authorize suspension for the current fiscal year of any of these provisions not sooner than 30 days after notification in writing of the necessity for this suspension to the chairpersons of the committee in each house that considers the State Budget and the Chairperson of the Joint Legislative Budget Committee.

(9) Existing law authorizes the proportionate reduction or appropriations made in any fiscal year for the AFDC, SSP, IHSS, and Medi-Cal programs when the Director of Finance determines that estimated General Fund revenues are more than 5% less than the estimated General Fund workload budget with respect to the fiscal year.

This bill would repeal those authorizations.

(10) Under existing law, the Housing Rehabilitation Loan Fund is created in the State Treasury, and is continuously appropriated for specified purposes, including related administrative expenses of the Department of Housing and Community Development.

This bill would authorize expenditures for administrative expenses from the Housing Rehabilitation Loan Fund for additional programs, as specified. It would require that appropriations authorized by the Budget Act of 1996 for the support of the Department of Housing and Community Development from the California Disaster Housing Repair Fund and the California Homeownership Assistance Fund instead be authorized for expenditure from this fund. By authorizing additional purposes for the expenditure of funds from, and additional funds for the deposit into, this continuously appropriated fund, this bill would make an appropriation.

(11) Under existing law, the California Disaster Housing Repair Fund is continuously appropriated to the Department of Housing and Community Development for making deferred payment loans to provide disaster relief for repair of housing damaged or destroyed as a result of a natural disaster. Under existing law the director of the department may authorize the sale of the beneficiary interest of specified loans the proceeds of which are required to be deposited into the California Disaster Housing Repair Fund.

This bill would require that proceeds from sales after July 1, 1996, be deposited in the General Fund. This bill also would require that, on or after July 1, 1996, the unencumbered fund balance and reserves be transferred to the Housing Rehabilitation Loan Fund and subsequent income and other specified resources be deposited to the Housing Rehabilitation Loan Fund with specified exceptions. By authorizing additional income and resources to be deposited into the continuously appropriated Housing Rehabilitation Loan Fund, this bill would make an appropriation.

(12) Existing law provides that the Self-Help Housing Fund, a continuously appropriated fund in the State Treasury, consists of



specified moneys, including moneys that the California Self-Help Housing Program receives in repayment or return of the funds, including interest thereon. It provides that assistance under the program shall be considered a purchase or rehabilitation loan for purposes of specified provisions of law. However, commencing July 1, 1992, the Department of Housing and Community Development has not been required to make loans from this fund and the department may retain within the fund moneys necessary for administering and monitoring loans made prior to July 1, 1992.

This bill would again permit the use of these fund moneys for loans by deleting the provisions that prohibit the making of loans after the specified date and permit the retention of fund moneys for administration and monitoring of loans made prior to that date. By permitting the use of these continuously appropriated fund moneys for loan purposes, this bill would make an appropriation.

(13) Existing law establishes the Rental Housing Construction Fund in the State Treasury and continuously appropriates the moneys in that fund to the Department of Housing and Community Development.

This bill would provide that appropriations authorized for the support of the department from the Family Housing Demonstration Account and the Urban Predevelopment Loan Fund shall instead be authorized for expenditure from the Rental Housing Construction Fund. By authorizing additional expenditures from the continuously appropriated Rental Housing Construction Fund, this bill would make an appropriation.

(14) Existing law establishes the Urban Housing Predevelopment Loan Fund in the State Treasury, funded from specified sources, and continuously appropriates that fund to the Department of Housing and Community Development for the administration of specified types of predevelopment loans and the repayment of specified fund transfers.

This bill would require that, notwithstanding any other provision of law, on or after July 1, 1996, the unencumbered balance in the fund be transferred to the Rental Housing Construction Fund and that subsequent income and other resources received by the department pursuant to these provisions be deposited to the Rental Housing Construction Fund. By providing for a new use of continuously appropriated funds in the Urban Housing Predevelopment Loan Fund, and authorizing additional income and resources to be deposited into the continuously appropriated Rental Housing Construction Fund, this bill would make appropriation.

(15) Under existing law, the Department of Housing and Community Development is required to implement the Family Housing Implementation Program, under which it may make loans from the continuously appropriated Family Housing Demonstration



Account to sponsors for purposes of assisting the development of community housing developments.

This bill would require that on or after July 1, 1996, the unencumbered account balance and reserves be transferred out of the Family Housing Demonstration Account, but be retained within the Rental Housing Construction Fund.

(16) Existing law authorizes the Department of Housing and Community Development to provide specified financial assistance to households from the continuously appropriated Homeownership Assistance Fund.

This bill would require that, on or after July 1, 1996, the unencumbered fund balance and reserves, along with subsequent income and resources, be transferred to, and deposited in, the Housing Rehabilitation Loan Fund. By authorizing additional income and resources to be deposited into the continuously appropriated Housing Rehabilitation Loan Fund, this bill would make an appropriation.

(17) Existing law provides procedures for the allocation of gasoline tax revenues to cities and counties based in part on the city's or county's general fund expenditures, including fines and forfeitures expended for street and highway purposes, as specified.

This bill would provide that notwithstanding these provisions, specified Solano County municipal court fines and forfeitures in the amount of \$426,381 shall be deposited to the General Fund of Solano County.

(18) This bill would state that any appropriation made for support of the State Banking Department for supervision and regulation of savings associations, payable from the Savings Association Special Regulatory Fund, shall be deemed to be made for support of the Department of Savings and Loan for supervision and regulation of savings associations, payable from the Savings Associations Special Regulatory Fund.

(19) The bill would declare that it is to take effect immediately as an urgency statute.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. It is the intent of the Legislature in enacting this act to make the necessary statutory changes to implement the Budget Act of 1996 relative to the administration of state government.

SEC. 2. Section 8001 of the Financial Code is repealed.

SEC. 3. Section 8001 is added to the Financial Code, to read:

8001. The Superintendent of Banks shall also serve as the commissioner and succeeds to all functions and duties previously held by the commissioner.

SEC. 4. Section 8002 of the Financial Code is repealed.

SEC. 5. Section 4101.5 is added to the Food and Agricultural Code, to read:

4101.5. The California Museum of Science and Industry shall study the feasibility of transferring management and operation of the museum facilities to the California Museum Foundation of Los Angeles, and, if feasible, prepare a plan to accomplish that transfer. The California Museum of Science and Industry may study other alternatives for restructuring, including, but not limited to, obtaining funding from local educational entities that participate in the museum programs and operations, and prepare an alternative restructuring plan. The California Museum of Science and Industry shall provide an interim report of the study to the Legislature by March 1, 1997, and a final report of the study to the Legislature by May 1, 1997.

SEC. 6. Section 4106 of the Food and Agricultural Code is amended to read:

4106. (a) The California Museum of Science and Industry shall work with the Los Angeles Memorial Coliseum Commission, the City of Los Angeles, and the County of Los Angeles to develop additional parking facilities in Exposition Park to the extent necessary to allow for expansion of the park.

(b) The California Museum of Science and Industry shall manage or operate its parking facilities in a manner which preserves and protects the interests of itself and the California African-American Museum and recognizes the cultural and educational character of Exposition Park.

(c) The first eight hundred thirty-two thousand seven hundred sixty-five dollars (\$832,765) of revenues received each year by the California Museum of Science and Industry from parking facilities, from rental of museum facilities, or from other business activities shall be deposited in the General Fund.

(d) (1) The Exposition Park Improvement Fund is hereby created in the State Treasury. All revenues received by the California Museum of Science and Industry from its parking facilities, from rental of museum facilities, or from other business activities, in excess of the eight hundred thirty-two thousand seven hundred sixty-five dollars (\$832,765) deposited each year in the General Fund, shall be deposited in the Exposition Park Improvement Fund.

(2) Notwithstanding subdivision (c), for the 1996-97 fiscal year only, all revenues received by the museum during that fiscal year from the sources described in paragraph (1) shall be deposited in the Exposition Park Improvement Fund.

(e) The moneys in the Exposition Park Improvement Fund may only be used, upon appropriation by the Legislature, for improvements to Exposition Park, including, but not limited to, maintenance of existing parking and museum facilities, replacement of museum equipment, supplies and wages expended to generate

revenues from rental of museum facilities, development of new parking facilities and acquisition of land within or adjacent to Exposition Park.

(f) The Legislature hereby finds and declares that there is a need for development of additional park, recreation, museum, and parking facilities in Exposition Park. The Legislature recognizes that the provision of these needed improvements as identified in the California Museum of Science and Industry Exposition Park Master Plan may require the use of funds provided by other governmental agencies or private donors.

The California Museum of Science and Industry may accept funds from other governmental agencies or private contributions for the purpose of implementation of the California Museum of Science and Industry Exposition Park Master Plan. The private contributions and funds from governmental agencies other than state governmental agencies shall be deposited in the Exposition Park Improvement Fund in the State Treasury and shall be available for expenditure without regard to fiscal years by the California Museum of Science and Industry for implementation of the California Museum of Science and Industry Exposition Park Master Plan. Funds from other state governmental agencies shall be deposited in the Exposition Park Improvement Fund and shall be available for expenditure, upon appropriation, by the California Museum of Science and Industry for implementation of the California Museum of Science and Industry Exposition Park Master Plan. However, any expenditure is not authorized sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time as the chairperson of the joint committee, or his or her designee, may in each instance determine.

SEC. 7. Section 8690 of the Government Code is amended to read:

8690. As used in this article:

(a) "Fund" means the Natural Disaster Assistance Fund created by Section 8690.2.

(b) "Public Facilities and Local Agency Disaster Response Account" means the special account established in the fund pursuant to subdivision (a) of Section 8690.4.

(c) "Street and Highway Account" means the special account established in the fund pursuant to subdivision (b) of Section 8690.4.

(d) "Office of Emergency Services Disaster Administration Support Account" means the special account established in the fund pursuant to subdivision (c) of Section 8690.4.

(e) This section shall remain in effect only until July 1, 1997, and as of that date is repealed, unless a later enacted statute, that is enacted before July 1, 1997, deletes or extends that date.

SEC. 8. Section 8690.2 of the Government Code is amended to read:

8690.2. The Natural Disaster Assistance Fund is hereby created as a special fund in the State Treasury. This fund and its subsidiary accounts are continuously appropriated for purposes of this act. The fund is the successor to the funds appropriated by Section 4 of Chapter 624 of the Statutes of 1973 and to the Street and Highway Disaster Fund, which funds are hereby abolished, effective the 61st day after final adjournment of the 1973–74 Regular Session of the Legislature. All of the assets, liabilities, and surpluses of the two abolished funds shall, on order of the Controller and as of the effective date of their abolition, be transferred to and become assets, liabilities, and surpluses of the Natural Disaster Assistance Fund except that all assets, liabilities, and surplus of the portion of the Street and Highway Disaster Fund relating to state highways shall be transferred to the State Highway Account in the State Transportation Fund. The existing appropriations from either of such funds shall continue to be available for allocation, encumbrance, and expenditure in the same manner and for the same purposes and periods from the Natural Disaster Assistance Fund. Any reference in any law or regulation to the Street and Highway Disaster Fund shall be deemed to refer to the Street and Highway Account of the Natural Disaster Assistance Fund.

Any moneys received by the director or any state agency after the effective date of this section which, by law, would otherwise be required to be deposited in either of such funds, shall on order of the Controller, be deposited in the State Treasury in the Natural Disaster Assistance Fund.

This section shall remain in effect only until July 1, 1997, and as of that date is repealed, unless a later enacted statute, that is enacted before July 1, 1997, deletes or extends that date.

SEC. 9. Section 8690.25 is added to the Government Code, to read:

8690.25. The Natural Disaster Assistance Fund, referred to as “fund” in this article, is hereby created as a special fund in the State Treasury. This fund and its subsidiary account, the Earthquake Emergency Investigations Account, are continuously appropriated, without regard to fiscal years, for purposes of this act.

This section shall become operative on July 1, 1997.

SEC. 10. Section 8690.4 of the Government Code is amended to read:

8690.4. The Controller shall establish the following four special accounts in the Natural Disaster Assistance Fund:

(a) The Public Facilities and Local Agency Disaster Response Account, into which shall be paid all moneys appropriated by the Legislature for allocation for (1) the repair, restoration, reconstruction, or replacement of facilities belonging to local agencies damaged as a result of natural disasters, (2) matching fund

assistance for cost sharing required under federal disaster assistance programs, as specified in subdivisions (b) (c), and (e) of Section 8685, and (3) local agency personnel overtime costs and supplies used during eligible disaster response and recovery activities, including the cost of administering those activities, as specified in subdivisions (a) and (d) of Section 8685.

(b) The Street and Highway Account, into which shall be paid all resources transferred from the Street and Highway Disaster Fund, any money received from the federal government as reimbursement to any city or county for expenditures from funds allocated, transferred or expended pursuant to this chapter for a street and highway project, any money hereafter appropriated by the Legislature for allocation for street and highway projects, and any income from investment of moneys in the account and payments by local agencies in reimbursement of moneys disbursed from the account including deferred payments with charges, pursuant to Section 8686.8.

(c) The Office of Emergency Services Disaster Administration Support Account, into which shall be paid all moneys appropriated by the Legislature for allocation for state administrative and engineering support required to respond to a specific disaster in accordance with the state disaster assistance program authorized under this chapter.

(d) The Earthquake Emergency Investigations Account, into which shall be paid all moneys appropriated by the Legislature to the Seismic Safety Commission for allocation for the purpose of enabling immediate investigation of damaging earthquakes. Allocations may be made by the commission to assist organizations which have incurred expenses in the course of conducting earthquake investigations. Allocations may be made to cover the following expenses:

- (1) Travel, meals, and lodging.
- (2) Publishing of findings.
- (3) Contractor assistance in the investigation.
- (4) Other expenses which the commission may allow as necessary to assist the investigation.

The unpredictable nature of earthquakes necessitates immediate access to funds for investigative purposes. For this reason, notwithstanding any other provision of law, funds in the Earthquake Emergency Investigations Account shall be available for expenditure without regard to fiscal years.

(e) It is the intent of the Legislature that the Public Facilities and Local Agency Disaster Response Account, the Street and Highway Account, and the Office of Emergency Services Administration Support Account each have an unencumbered balance of one million dollars (\$1,000,000) at the beginning of each fiscal year.

In the event that any of these three accounts require additional moneys to meet claims against the account, the Director of Finance may transfer moneys from the Special Fund for Economic Uncertainties to the account in that amount sufficient to pay the amount of the claims that exceed the unencumbered balance in the account, provided that the transfer is not made prior to notification in writing to the Joint Legislative Budget Committee of the reason and amount of transfer.

This section shall remain in effect only until July 1, 1997, and as of that date is repealed, unless a later enacted statute, that is enacted before July 1, 1997, deletes or extends that date.

SEC. 11. Section 8690.45 is added to the Government Code, to read:

8690.45. (a) The Controller shall establish the following special account in the Natural Disaster Assistance Fund.

The Earthquake Emergency Investigations Account, into which shall be paid all moneys appropriated by the Legislature to the Seismic Safety Commission for allocation for the purpose of enabling immediate investigation of damaging earthquakes. Allocations may be made by the commission to assist organizations that have incurred expenses in the course of conducting earthquake investigations. Allocations may be made to cover the following expenses:

- (1) Travel, meals, and lodging.
- (2) Publishing of findings.
- (3) Contractor assistance in the investigation.
- (4) Other expenses that the commission may allow as necessary to assist the investigation.

The unpredictable nature of earthquakes necessitates immediate access to funds for investigative purposes. For this reason, notwithstanding any other provision of law, funds in the Earthquake Emergency Investigations Account shall be available for expenditure without regard to fiscal years.

(b) This section shall become operative on July 1, 1997.

SEC. 12. Section 8690.6 of the Government Code is amended to read:

8690.6. (a) There is hereby established in the Reserve for Economic Uncertainties a Disaster Response-Emergency Operations Account. Notwithstanding Section 13340, moneys in the account are continuously appropriated, subject to the limitations specified in subdivisions (c) and (d), without regard to fiscal years, for allocation by the Director of Finance to state agencies for disaster response operation costs incurred by state agencies as a result of a state of emergency proclamation by the Governor. These allocations may be for response activities, defined as any activity occurring within 365 days of a declaration of emergency by the Governor, or for recovery activities, defined as any activity occurring after the 365th day of a declaration of emergency by the Governor.

(b) It is the intent of the Legislature that the Disaster Response-Emergency Operations Account have an unencumbered balance of one million dollars (\$1,000,000) at the beginning of each fiscal year. In the event that this account requires additional moneys to meet claims against the account, the Director of Finance may transfer moneys from the Special Fund for Economic Uncertainties to the account in that amount sufficient to pay the amount of the claims that exceed the unencumbered balance in the account.

(c) For response activities, as defined, the funds shall be allocated subject to the conditions of this section and in accordance with Section 27.00 of the annual Budget Act, except that the allocations may be made 30 days or less after notification of the Legislature pursuant to subdivision (b) of that section.

(d) For recovery activities, as defined, the funds shall be allocated subject to the conditions of this section and in accordance with all subdivisions of Section 27.00 of the annual Budget Act, and shall include the Department of Finance's determination as to whether the expenditure for which the allocation is to be made was previously proposed at some point in the legislative consideration of the annual Budget Bill and was not approved and, if the expenditure was not approved, for what reasons.

(e) No funds allocated under this section shall be used to supplant federal funds otherwise available in the absence of state financial relief.

(f) The amount of financial assistance provided to an individual, business, or governmental entity under this section, or pursuant to any other program of state-funded disaster assistance, shall be deducted from sums received in payment of damage claims asserted against the state, its agents, or employees, for causing or contributing to the effects of the proclaimed disaster.

(g) No public entity administering disaster assistance to individuals shall receive funds under this section unless it administers that assistance pursuant to the following criteria:

(1) All applications, forms, and other written materials presented to persons seeking assistance shall be available in English and in the same language as that used by the major non-English-speaking group within the disaster area.

(2) Bilingual staff who reflect the demographics of the disaster area shall be available to applicants.

(h) The Legislature finds and declares that the amendments made to subdivision (c) of this section by Chapter 16 of the Statutes of 1986 declare the intent of the Legislature at the time when this section was originally added to this code by Chapter 1562 of the Statutes of 1985.

(i) This section shall become inoperative on July 1, 1999, and, as of January 1, 2000, is repealed, unless a later enacted statute, which

becomes effective on or before January 1, 2000, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 13. Section 11270 of the Government Code is amended to read:

11270. As used in this article “administrative costs” means the amounts expended by the Legislature, Controller, Treasurer, the State Personnel Board, the Department of General Services, the State Board of Control, the State Department of Finance, the Office of Administrative Law, the Department of Personnel Administration, the Secretary of the State and Consumer Services Agency, the Secretary of the Business, Transportation and Housing Agency, the Secretary of the Health and Welfare Agency, the Secretary of the Resources Agency, the Secretary of the Youth and Adult Correctional Agency, the California State Library, and the Department of Information Technology, and a proration of any other cost to or expense of the state for services or facilities provided for the Legislature and the above agencies, for supervision or administration of the state government or for services to the various state agencies.

SEC. 14. Section 13308 of the Government Code, as added by Chapter 455 of the Statutes of 1990, is repealed.

SEC. 15. Section 13308 of the Government Code, as added by Chapter 458 of the Statutes of 1990, is repealed.

SEC. 16. Section 13308 is added to the Government Code, to read:

13308. (a) The Director of Finance shall provide to the Legislature, on or before February 1 of each year, all proposed statutory changes, as prepared by the Legislative Counsel, that are necessary to implement the Governor’s Budget, as described in subdivision (a) of Section 13337.

(b) The Director of Finance shall provide to the Legislature, on or before April 1 of each year, all proposed adjustments to the Governor’s Budget except as specified by subdivisions (c) and (d).

(c) The Director of Finance shall provide to the Legislature, on or before May 1 of each year, all proposed adjustments to the Governor’s Budget in appropriations for capital outlay.

(d) The Director of Finance shall provide to the Legislature, on or before May 14 of each year, all of the following:

(1) An estimate of General Fund revenues for the current fiscal year and for the ensuing fiscal year.

(2) Any proposals to reduce expenditures to reflect updated revenue estimates.

(3) All proposed adjustments to the Governor’s Budget that are necessary to reflect updated estimates of state funding required pursuant to Section 8 of Article XVI of the California Constitution, or to reflect caseload enrollment or population changes.

(e) The Director of Finance may authorize suspension for the current fiscal year of any provision of this section not sooner than 30 days after notification in writing of the necessity therefor to the

chairperson of the committee in each house that considers the State Budget and the Chairperson of the Joint Legislative Budget Committee.

SEC. 17. Section 50531 of the Health and Safety Code is amended to read:

50531. (a) The Urban Housing Development Loan Fund established in the State Treasury is hereby renamed the Urban Predevelopment Loan Fund.

(b) Notwithstanding Section 13340 of the Government Code, all money in the fund, including any interest on loans made from the fund, is hereby continuously appropriated to the department for carrying out the purposes of this chapter and for repaying any transfer made to the fund pursuant to Section 50748.1, together with interest as provided in that section. The fund shall be a revolving loan fund that shall be used to make predevelopment loans and land purchase loans to eligible sponsors for assisted housing in urban areas, for occupancy primarily by persons of low income.

(c) All interest, dividends, and pecuniary gains from investments or deposits of moneys in the fund shall accrue to the fund, notwithstanding Section 16305.7 of the Government Code.

There shall be paid into the fund all of the following:

(1) Any moneys appropriated and made available by the Legislature for the purposes of the fund.

(2) Any moneys that the department receives prior to July 1, 1996, in repayment of loans made from the fund, including any interest on loans made from the fund.

(3) Any other moneys that may be made available to the department prior to July 1, 1996, for the purposes of this chapter from any other source.

(d) Notwithstanding any other provision of law, on or after July 1, 1996, the unencumbered fund balance shall be transferred to the Rental Housing Construction Fund and subsequent income and other resources received by the department pursuant to this section shall be deposited in the Rental Housing Construction Fund.

SEC. 18. Section 50661 of the Health and Safety Code is amended to read:

50661. (a) There is hereby created in the State Treasury the Housing Rehabilitation Loan Fund. All interest or other increments resulting from the investment of moneys in the Housing Rehabilitation Loan Fund shall be deposited in the fund, notwithstanding Section 16305.7 of the Government Code. Notwithstanding Section 13340 of the Government Code, all money in the fund is continuously appropriated to the department for the following purposes:

(1) For making deferred-payment rehabilitation loans for financing all or a portion of the cost of rehabilitating existing housing to meet rehabilitation standards as provided in this chapter.



(2) For making deferred payment loans as provided in Sections 50668.5, 50669, and 50670.

(3) For making deferred payment loans pursuant to Sections 50662.5 and 50671.

(4) Subject to the restrictions of Section 53131, if applicable, for administrative expenses of the department made pursuant to this chapter, Article 3 (commencing with Section 50693) of Chapter 7.5, and Chapter 10 (commencing with Section 50775).

(5) For related administrative costs of nonprofit corporations and local public entities contracting with the department pursuant to Section 50663 in an amount, if any, as determined by the department, to enable the entities and corporations to implement a program pursuant to this chapter. The department shall ensure that not less than 20 percent of the funds loaned pursuant to this chapter shall be allocated to rural areas. For purposes of this chapter “rural area” shall have the same meaning as in Section 50199.21.

(b) There shall be paid into the fund the following:

(1) Any moneys appropriated and made available by the Legislature for purposes of the fund.

(2) Any moneys that the department receives in repayment of loans made from the fund, including any interest thereon.

(3) Any other moneys that may be made available to the department for the purposes of this chapter from any other source or sources.

(4) Moneys transferred or deposited to the fund pursuant to Sections 50661.5 and 50778.

(c) Notwithstanding any other provision of law, any interest or other increment earned by the investment or deposit of moneys appropriated by subdivision (b) of Section 3 of Chapter 2 of the Statutes of the 1987–88 First Extraordinary Session, or Section 7 of Chapter 4 of the Statutes of the 1987–88 First Extraordinary Session, shall be deposited in a special account in the Housing Rehabilitation Loan Fund and shall be used exclusively for purposes of Sections 50662.5 and 50671.

(d) Notwithstanding any other provision of law, effective with the date of the act adding this subdivision, appropriations authorized by the Budget Act of 1996 for support of the Department of Housing and Community Development from the California Disaster Housing Repair Fund and the California Homeownership Assistance Fund shall instead be authorized for expenditure from the Housing Rehabilitation Loan Fund.

SEC. 19. Section 50661.5 of the Health and Safety Code is amended to read:

50661.5. (a) There is hereby created in the State Treasury the California Disaster Housing Repair Fund, into which shall be paid all moneys appropriated by the Legislature pursuant to subdivision (b) or transferred pursuant to subdivision (c) for housing repair loans

pursuant to Sections 50662.7, 50671.5, and 50671.6. All interest or other increments resulting from the investment of moneys in the California Disaster Housing Repair Fund shall be deposited in the fund, notwithstanding Section 16305.7 of the Government Code. Notwithstanding Section 13340 of the Government Code, all money in that fund is continuously appropriated to the department for the following purposes:

(1) For making deferred payment loans and predevelopment loans pursuant to Sections 50662.7, 50671.5, and 50671.6.

(2) For related administrative expenses of the department.

(3) For related administrative expenses of any entity contracting with the department, pursuant to Sections 50662.7, 50671.5, and 50671.6 in an amount, if any, as determined by the department, to enable the entities to implement a program pursuant to those sections.

(4) For providing loan guarantees for disaster-related loans made by private institutional lending sources.

(b) There shall be paid into the fund the following:

(1) Any moneys appropriated and made available by the Legislature for purposes of the fund.

(2) Any moneys transferred from the Special Fund for Economic Uncertainties prior to July 1, 1996, pursuant to subdivision (c).

(3) Any other moneys which may be made available to the department prior to July 1, 1996, for the purposes of this section from any other source or sources.

(4) The director may authorize the sale of the beneficiary interest of loans made pursuant to Section 50662.7. The proceeds from that sale prior to July 1, 1996, shall be deposited into the California Disaster Housing Repair Fund. Proceeds from that sale after July 1, 1996, shall be deposited in the General Fund.

(c) (1) To the extent that funds are not available, the Department of Housing and Community Development shall submit to the Department of Finance, within 90 days after a disaster, a deficiency request based on a minimum funding level based on a damage survey completed by the Office of Emergency Services and the Federal Emergency Management Agency. The request shall distinguish between owner-occupied housing of one to four units and rental housing of five or more units.

(2) Upon receipt of the deficiency request from the Department of Housing and Community Development pursuant to paragraph (1), the Department of Finance shall make a funding determination and notify the Legislature of the approval or disapproval of the deficiency amount. Any deficiency amount approved shall distinguish between owner-occupied housing of one to four units and rental housing of five or more units.

(3) Any payments made pursuant to this subdivision from funds made available under Section 50671.5 shall be matched by a

corresponding and equal payment from funds made available under Section 50671.6, except that, upon the determination of the Director of Finance that one of the two rental repair programs has excess funds, moneys from that fund may be used for either of the other two disaster repair programs.

(d) In the event of a natural disaster, as defined in Section 8680.3 of the Government Code, the Director of Finance may transfer moneys from the Special Fund for Economic Uncertainties established by Section 16418 of the Government Code to the California Disaster Housing Repair Fund, provided the transfer is not made sooner than 30 days after notification in writing of the necessity therefor is provided to the Joint Legislative Budget Committee.

(e) Notwithstanding any other provision of law, on or after July 1, 1996, the unencumbered fund balance and reserves shall be transferred to the Housing Rehabilitation Loan Fund and subsequent income and other resources payable pursuant to Sections 50662.7, 50671.5, and 50671.6, shall be deposited to the Housing Rehabilitation Loan Fund, except that payments of principal and interest on loans issued pursuant to Sections 50662.7, 50671.5, and 50671.6 shall be deposited in the General Fund.

(f) In making funds available to disaster victims pursuant to Sections 50662.7, 50671.5, and 50671.6, the department shall impose a one-year deadline for submission of applications.

(g) Any changes made on or after January 1, 1994, to any program funded by the California Disaster Housing Repair Fund shall not apply to applications submitted on or before December 31, 1993. The department may administer the program in accordance with guidelines until regulations are adopted.

SEC. 20. Section 50697.1 of the Health and Safety Code is amended to read:

50697.1. (a) The Self-Help Housing Fund is hereby created in the State Treasury. Notwithstanding Section 13340 of the Government Code, all moneys in the fund are continuously appropriated for contracts entered into pursuant to subdivision (b) of Section 50696 and for costs incurred by the California Self-Help Housing Program in administering the program. The moneys in the fund are not subject to transfer to any other fund pursuant to Part 2 (commencing with Section 16300) of Division 4 of Title 2 of the Government Code, except the Surplus Money Investment Fund. The department may require the transfer of moneys in the fund to the Surplus Money Investment Fund for investment pursuant to Article 4 (commencing with Section 16470) of Chapter 3 of Part 2 of Division 4 of Title 2 of the Government Code. Notwithstanding Section 16305.7 of the Government Code, all interest, dividends, and pecuniary gains from the investments shall accrue to the fund.

(b) The Self-Help Housing Fund shall consist of all of the following:



(1) Any moneys appropriated to the fund by the Legislature.

(2) Any moneys which the California Self-Help Housing Program receives in repayment or return of the funds, including any interest on those moneys.

(3) Any other moneys which may be made available to the California Self-Help Housing Program for the purposes of subdivision (b) of Section 50696 from any other source or sources.

SEC. 21. Section 50740 of the Health and Safety Code is amended to read:

50740. (a) The Rental Housing Construction Incentive Fund established in the State Treasury is hereby renamed the Rental Housing Construction Fund. Notwithstanding Section 13340 of the Government Code, all money in the fund is hereby continuously appropriated to the Department of Housing and Community Development, and, except as provided in subdivisions (b) and (c), shall be utilized for purposes of this chapter and for the purposes of Section 50775.5, Chapter 3.2 (commencing with Section 50517.5), Chapter 3.5 (commencing with Section 50530), and Chapter 15 (commencing with Section 50880). All interest or other increment resulting from investment or deposit of moneys in the fund shall be deposited in the fund, notwithstanding Section 16305.7 of the Government Code. Moneys in the fund shall not be subject to transfer to any other fund pursuant to Part 2 (commencing with Section 16300) of Division 4 of Title 2 of the Government Code, except the Surplus Money Investment Fund.

(b) Money from the fund utilized by the agency for development costs which was repaid to the agency or disencumbered between June 30, 1982, and June 30, 1983, and any additional funds or interest which is available for encumbrance on June 30, 1983, shall be deposited in a separate account in the fund and utilized as follows:

(1) Eight million one hundred thousand dollars (\$8,100,000) shall be utilized by the agency for activities authorized by Article 4.5 (commencing with Section 51180) of Chapter 5 of Part 3.

(2) Five hundred thousand dollars (\$500,000) shall be transferred by the agency to the department for deposit in the Rural Community Facility Grant Fund, established pursuant to Section 6125, and utilized to carry out the program established by Chapter 11 (commencing with Section 6120) of Part 3 of Division 5.

(3) Three million dollars (\$3,000,000) shall be transferred by the agency to the department and deposited in the Housing Rehabilitation Loan Fund, established pursuant to Section 50661, and utilized for making deferred payment loans for residential hotels as authorized by subdivision (b) of Section 50661 and for purposes of subdivision (c) of Section 50661.

(4) One million seven hundred thousand dollars (\$1,700,000) shall be transferred by the agency to the department for deposit in the

Emergency Housing and Assistance Fund, established pursuant to Section 50800.

(5) Two million five hundred thousand dollars (\$2,500,000) shall be transferred by the agency to the Trustees of the California State University for deposit in the Affordable Student Housing Revolving Fund, established pursuant to Section 90087 of the Education Code, and utilized to carry out the program established by Article 3 (commencing with Section 90085) of Chapter 8 of Part 55 of the Education Code.

(6) Three hundred thousand dollars (\$300,000) shall be transferred by the agency to the department and utilized to carry out the program established by Chapter 3.6 (commencing with Section 50533).

(7) Four million two hundred thousand dollars (\$4,200,000) shall be transferred by the agency to the department for deposit in the annuity fund, established pursuant to Section 50738.5, and utilized for the purposes authorized by that section.

(c) An amount not to exceed four million dollars (\$4,000,000) of the moneys from the fund utilized by the agency for development costs which is repaid to the agency or disencumbered on or after July 1, 1983, shall be deposited in the separate account established pursuant to subdivision (b) and utilized and apportioned in accordance with the following percentages as it becomes available:

(1) Fifty percent of the moneys shall be transferred by the agency to the department and deposited in the Housing Rehabilitation Loan Fund, established pursuant to Section 50661, and utilized for the purposes specified in paragraph (3) of subdivision (b).

(2) Twenty-five percent of the moneys shall be transferred by the agency to the department for deposit in the Emergency Housing and Assistance Fund, established pursuant to Section 50800, and utilized for the purposes specified in paragraph (4) of subdivision (b).

(3) Twenty-five percent of the moneys shall be transferred by the agency to the department for deposit in the annuity fund, established pursuant to Section 50738.5, and utilized for the purposes specified in paragraph (7) of subdivision (b).

(d) Notwithstanding any other provision of law, effective with the date of the act adding this subdivision, appropriations authorized for support of the Department of Housing and Community Development from the Family Housing Demonstration Account and the Urban Predevelopment Loan Fund shall instead be authorized for expenditure from the Rental Housing Construction Fund.

SEC. 22. Section 50778 of the Health and Safety Code is amended to read:

50778. (a) The Homeownership Assistance Fund is hereby created in the State Treasury and, notwithstanding Section 13340 of the Government Code, is continually appropriated to the department for purposes of this chapter, including Section 50775.5,

and for the purposes of Section 50745.1. Any moneys received by the department pursuant to this chapter shall be deposited in such fund. All interest or other increment resulting from investment or deposit of moneys in the fund shall be deposited in the fund, notwithstanding Section 16305.7 of the Government Code. Moneys in the fund shall not be subject to transfer to any other fund pursuant to any provisions of Part 2 (commencing with Section 16300) of Division 4 of Title 2 of the Government Code, excepting the Surplus Money Investment Fund.

(b) Not less than 50 percent of the moneys in the fund shall be used to assist lower income households. Not less than 20 percent of the units assisted shall be in rural areas.

(c) Funds available for the purpose of this chapter shall be allocated by the department throughout the state in accordance with identified housing needs.

(d) (1) Notwithstanding any other provision of law, commencing on July 1, 1992, the department shall not be required to make loans pursuant to this chapter.

(2) The department may retain within the fund moneys necessary for administration and monitoring of loans made prior to July 1, 1992, to make loans pursuant to loan commitments made prior to July 1, 1992. The department may also retain reserves for curing or averting a default that would jeopardize any security interest of the department.

(3) Notwithstanding any other provision of law, on or after July 1, 1996, the unencumbered fund balance and reserves shall be transferred to the Housing Rehabilitation Loan Fund. Subsequent income and resources shall be deposited to the Housing Rehabilitation Loan Fund.

SEC. 23. Section 50882 of the Health and Safety Code is amended to read:

50882. (a) The Family Housing Demonstration Account is hereby established in the Rental Housing Construction Fund. The account shall be organized into subaccounts as provided in this chapter. All of the following moneys shall be paid into the account:

(1) Any moneys appropriated and made available by the Legislature for the purposes of the account.

(2) Any moneys which the department receives prior to July 1, 1996, in repayment or return of loans made from the account, including any interest on those loans.

(3) Any other moneys which may be made available to the department prior to July 1, 1996, for the purposes of this chapter from any other source or sources.

(b) Notwithstanding Section 13340 of the Government Code, all money in the account is hereby continuously appropriated to the department and shall be utilized for the purposes of Article 1 (commencing with Section 50880) to Article 4 (commencing with

Section 50893), inclusive, including administrative expenses of the department for the implementation and operation of the programs created by this chapter. All interest or other increment resulting from investment or deposit of moneys in the account shall be deposited in the account, notwithstanding Section 16305.7 of the Government Code. Moneys in the account are not subject to transfer to any other fund, except as set forth in this chapter, pursuant to any provision of Part 2 (commencing with Section 16300) of Division 4 of Title 2 of the Government Code, except the Surplus Money Investment Fund.

(c) Money available for loans in the account shall be utilized and apportioned in accordance with the following percentages unless the terms of the transfers or deposit provide otherwise:

(1) Not less than 25 percent, nor more than 35 percent, shall be utilized for congregate housing developments pursuant to this chapter.

(2) The balance shall be utilized for community housing developments pursuant to this chapter.

(d) Notwithstanding any other provision of law, on or after July 1, 1996, the unencumbered account balance and reserves shall be transferred out of the Family Housing Demonstration Account, but shall be retained within the Rental Housing Construction Fund.

SEC. 24. Section 2105.1 is added to the Streets and Highways Code, to read:

2105.1. Notwithstanding Section 2105, the Solano County municipal court fines and forfeitures collected pursuant to Section 40508 of the Vehicle Code during fiscal years 1986–87 to 1988–89, inclusive, in the amount of four hundred twenty-six thousand three hundred eighty-one dollars (\$426,381) shall be deposited in the General Fund of Solano County.

SEC. 25. Section 11453.05 of the Welfare and Institutions Code is repealed.

SEC. 26. Section 12201.05 of the Welfare and Institutions Code is repealed.

SEC. 27. Section 12303.51 of the Welfare and Institutions Code as added by Chapter 455 of the Statutes of 1990 is repealed.

SEC. 28. Section 12303.51 of the Welfare and Institutions Code as added by Chapter 458 of the Statutes of 1990 is repealed.

SEC. 29. Section 14029 of the Welfare and Institutions Code as added by Chapter 455 of the Statutes of 1990 is repealed.

SEC. 30. Section 14029 of the Welfare and Institutions Code as added by Chapter 458 of the Statutes of 1990 is repealed.

SEC. 31. Section 16702.01 of the Welfare and Institutions Code is repealed.

SEC. 32. Any appropriation made for support of the State Banking Department for supervision and regulation of savings associations, payable from the Savings Association Special Regulatory

Fund, shall be deemed to be made for support of the Department of Savings and Loan for supervision and regulation of savings associations, payable from the Savings Association Special Regulatory Fund.

SEC. 33. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order for necessary statutory changes to implement the Budget Act of 1996 to take effect at the earliest possible time, it is necessary that this act take effect immediately.

